



Budget Introduction

October 5, 2020



Budgeting in Uncertainty

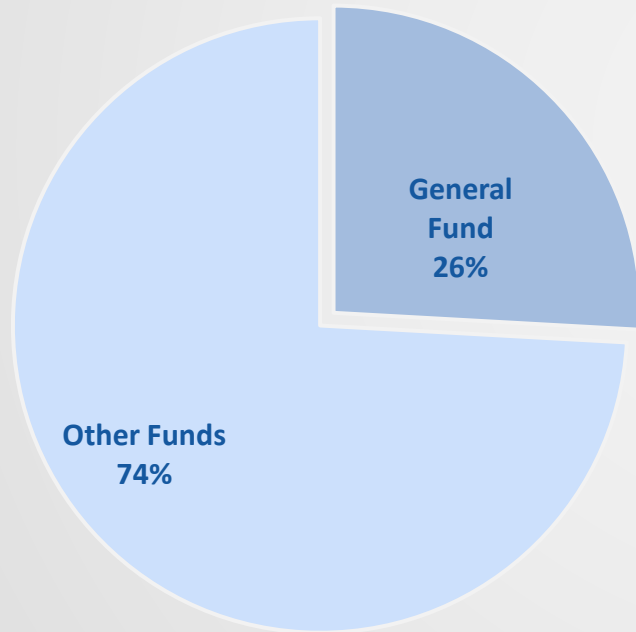
- Responsible and responsive
- Prioritizes retaining services and workforce
- Reallocates existing resources to emerging needs
- Essentially a one-year budget, continuous monitoring & adjustment if needed

Investments and Reallocations for Policy Priorities

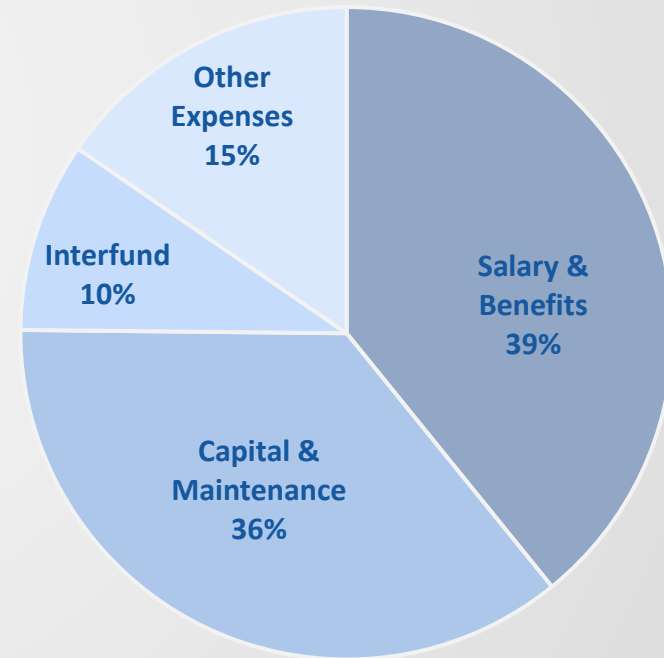
- Eliminate one Police Officer to double investment in GRACE program to \$280,000
- Add \$100,000 per year to accelerate Climate Action
- \$139 million capital program over the biennium
- Maintaining human services & homelessness programming of well over \$5 million annually

Citywide Expenses

General Fund vs Restricted Funds

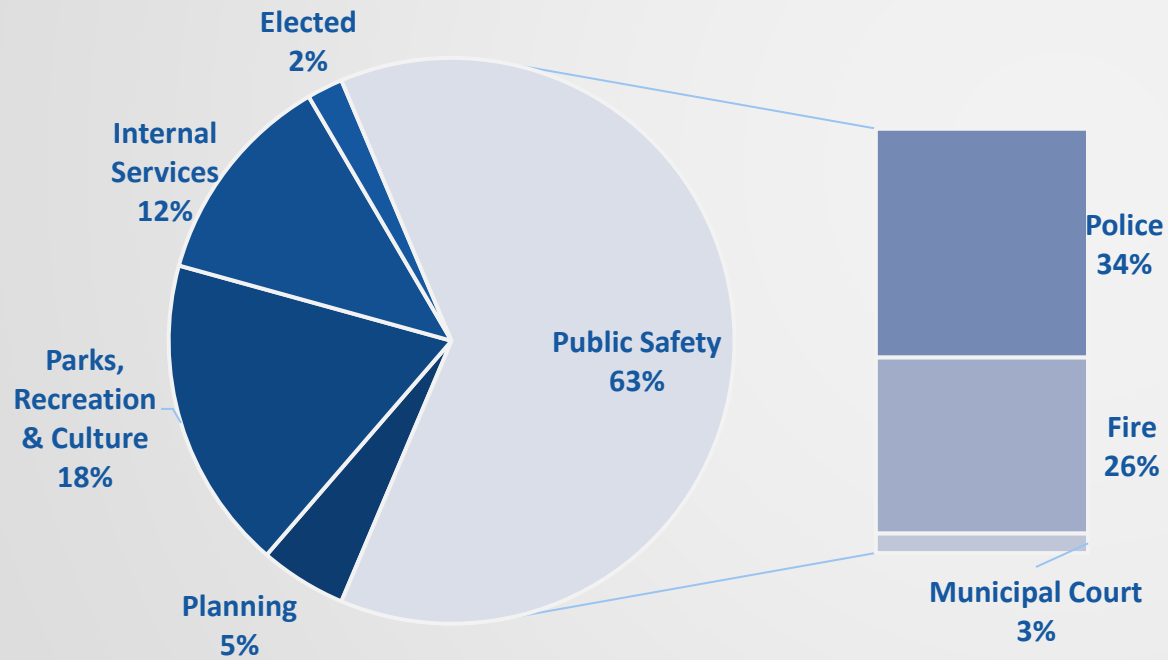


Citywide Expenses by Type

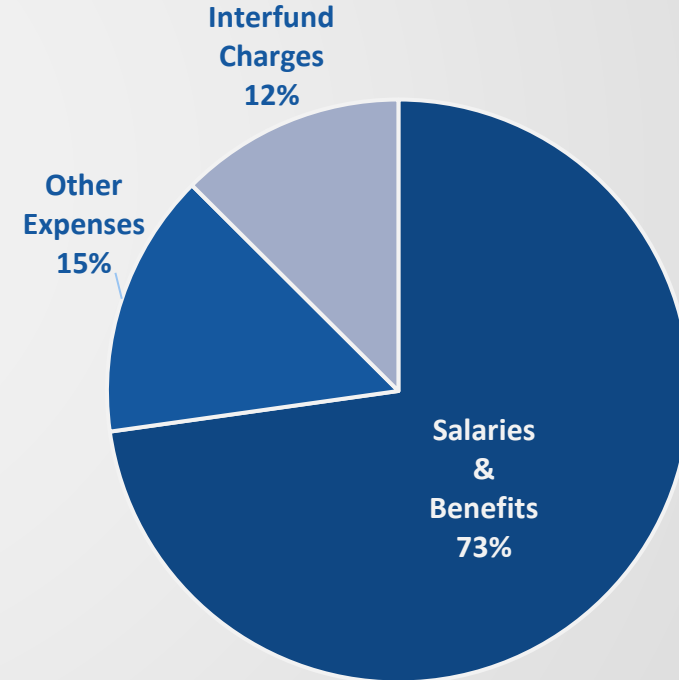


How the General Fund is Spent

General Fund Expenses by Department



General Fund Expenses by Type



Budget Balancing Efforts

Seeking 12-16 days of furloughs citywide (excluding public safety)

Froze 17 vacant General Fund positions

Line item reductions in Finance, Municipal Court, Legal and Museum

Reviewed and reallocated budgeted staff allocations from General Fund to Development Services Fund, Technology Fund and Greenways Fund

Eliminated one of two unfilled Information Security positions added in mid-biennium

Removed General Fund transfer to Fire and Police Pension Funds – property tax levy of \$2.4m a year remains committed

Full Time Equivalent (FTE) Totals

2020	2021*	2022
882	880	880

*17 Positions Frozen – no funding included

2021-2022 Proposed Budget

\$664 million total
biennial budget

Other funds reserve
use is largely related
to capital
expenditures

General Fund
reserve use is
related to operations

	General Fund 2021-2022	Other Funds 2021-2022	All Funds 2021-2022
<i>BEGINNING RESERVE BALANCE</i>	23,695,626	217,335,691	241,031,317
TOTAL REVENUE	164,768,086	417,811,073	582,579,159
SALARIES AND WAGES	92,008,737	65,558,374	157,567,111
PERSONNEL BENEFITS	32,726,490	33,991,355	66,717,845
SUPPLIES	4,784,131	19,859,347	24,643,478
OTHER SERVICES AND CHARGES	41,895,970	238,361,098	280,257,068
NON-EXPENDITURES	544,357	14,794,148	15,338,505
CAPITAL OUTLAYS (6000 EXP OBJ)	-	94,624,050	94,624,050
DEBT SERVICE PRINCIPAL	-	16,711,367	16,711,367
DEBT SERVICE INTEREST/COSTS	-	8,637,633	8,637,633
TOTAL EXPENDITURE	171,959,685	492,537,372	664,497,057
Net Surplus/(Deficit)	(7,191,598)	(74,726,301)	(81,917,899)
<i>RESTRICTED RESERVES</i>	14,100,000	142,609,381	156,709,381
<i>UNRESTRICTED RESERVES</i>	2,404,028	-	2,404,028
TOTAL ENDING RESERVE BALANCE	16,504,028	142,609,381	159,113,409

General Fund Proposed Budget

2021 = 7%
revenue
reduction from
2019

Furloughs and
frozen positions
are only in 2021

2022 may require
a significant mid-
biennium
adjustment

	Proposed 2021	Proposed 2022	Proposed 2021-2022	Revised 2019-2020
BEGINNING RESERVE BALANCE	23,695,626	21,866,063	23,695,626	29,989,311
TOTAL REVENUE	81,686,487	83,081,600	164,768,086	165,264,413
SALARIES AND WAGES	44,352,574	47,656,162	92,008,737	88,475,719
PERSONNEL BENEFITS	15,649,609	17,076,881	32,726,490	35,292,076
SUPPLIES	2,377,076	2,407,055	4,784,131	5,233,684
OTHER SERVICES AND CHARGES	20,864,605	21,031,364	41,895,970	35,652,942
NON-EXPENDITURES	272,185	272,173	544,357	5,535,849
OBSOLETE INTERGOVT SERVICES	0	0	0	2,196,777
CAPITAL OUTLAYS (6000 EXP OBJ)	0	0	0	2,161,660
DEBT SERVICE PRINCIPAL	0	0	0	221,068
DEBT SERVICE INTEREST/COSTS	0	0	0	4,990
TOTAL EXPENDITURE	83,516,049	88,443,635	171,959,685	174,774,765
Net Surplus/(Deficit)	-1,829,563	-5,362,036	-7,191,598	-9,510,352
RESTRICTED RESERVES	13,900,000	14,100,000	14,100,000	14,000,000
UNRESTRICTED RESERVES	7,966,063	2,404,028	2,404,028	6,478,959
TOTAL ENDING RESERVE BALANCE	21,866,063	16,504,028	16,504,028	20,478,959



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City Budget

The Budget is one of the City's most important policy documents. It specifies how City resources will be allocated to achieve the City Council's established goals and provide a broad array of city programs and services.

2021-22 Biennial Budget

- [2021-22 Preliminary Budget \(PDF\)](#)

<https://cob.org/gov/budget>

City of Bellingham budgets going back to 2008 are available online

Budget Timeline

Work Sessions:

Oct. 5: Police

Oct. 12: Fire, Municipal Court

Oct. 19: Parks, Library, Museum, Planning

Oct. 26: HR, Finance, IT, Legal

Nov. 2: Public Works

Nov. 9: Mayor & Council

Nov. 16: Other – as needed

Ordinances & Hearings:

Nov. 9: Introduce Property Tax Ordinance; Revenue Forecast; 1st Public Hearing on Budget

Nov. 23: Council adopt property tax ordinance; 2nd Public Hearing on Budget

Dec. 7: Introduce Budget Ordinance

Dec. 14: Adopt Budget Ordinance



Questions?

